



Application No. 09/370,935

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1-9-02

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

In re the Appellants:

H. SERETTI et al.

Group Art Unit: 2764

Application Number: 09/370,935

Examiner: Y. Retta

Filed: August 9, 1999

Attorney Docket No.: 990809

For: VEHICULAR DATA EXCHANGE SYSTEM AND METHOD THEREFOR

REPLY BRIEF

Assistant Commissioner of Patents
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Date: December 26, 2001

Sir:

This Reply Brief under 37 C.F.R. 1.192 responds to the Examiner's Answer
mailed November 2, 2001.

I. USPTO IMPROPERLY ESTABLISHES MOTIVATION USING
APPLICANTS' INVENTION

In the Answer, claims 1-2, 5-8, 10 and 21-30 are rejected under 35 U.S.C. 103(a)
as unpatentable over Giovannoli (U.S. Patent No. 5,758,328) in view of Berent et al.
(U.S. Patent No. 5,774,873). With regard to the features of the claims, Appellants
hereby repeat each argument set forth in their Brief on Appeal.

The United States Patent and Trademark Office justifies its rationale for the
rejection by stating one of ordinary skill in the art would have been motivated to
minimize the time consuming task of maintaining and updating a central database as

Giovannoli. Indeed the prior art teaches or suggests the time consuming task of maintaining and updating a central database. The United States Patent and Trademark Office, however, appears to recognize the benefits of the claimed invention in that no central database (at least for the vehicular characteristics data units of each vehicle) is required as is taught in the applied art. The applied art, unlike the claimed invention, appears to require continuous maintenance of a central database of product descriptions as well as other data. By contrast, the claimed invention transmits the vehicular characteristics data units and vehicular financial data units between computer terminals "on the fly," i.e. the vehicular financial data units are only received for the vehicular characteristics data units inputted at the inquiring computer terminal.

The claimed invention might use a database for reasons other than storing vehicular characteristics data units. Thus, the claimed invention does not require time consuming maintenance or updating of a database containing vehicular characteristics data units as taught in the applied art.

A discriminator as recited in claim 2 most likely would require a database. Claim 2 recites a discriminator for choosing specific ones of the remaining ones of the plurality of computer terminals to which the vehicular characteristics data units are transmitted. This discriminator merely transmits the vehicular characteristics data units to those dealerships interested in that particular make, model and, perhaps, year of the vehicle. Thus, a database of what vehicles dealerships are interested in purchasing is used for discrimination purposes. A central database is not required to implement the claimed invention because the vehicular characteristics data units must be inputted each time for each vehicle in order to receive vehicular financial data units. The source of the

motivation asserted by United States Patent and Trademark Office supporting its position of obviousness bodes well for the claimed invention.

The motivation presented by the United States Patent and Trademark Office is derived from the claimed invention, not the applied art. Based upon the benefits of the claimed invention, the United States Patent and Trademark Office improperly establishes motivation because it is found in the claimed invention and not in the applied art. The United States Patent and Trademark Office must show motivation to combine the applied art in view of the applied art themselves, not by showing the benefits of the claimed invention itself.

MPEP 2143.01 states that the prior art must suggest the desirability of the claimed invention. Obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. In re Fine, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988); In re Jones, 958 F.2d 347, 21 USPQ2d 1941 (Fed. Cir. 1992).

It is respectfully submitted that the Examiner fails to identify a persuasive suggestion to combine the teachings of the references. "Identification in the prior art of each individual part claimed is insufficient to defeat patentability to the whole claimed invention." In re Kotzab, 217 F.3d 1365, 1370, 55 USPQ2d 1313, 1316 (Fed. Cir. 2000) (citing In re Rouffet, 149 F.3d 1350, 1357, 47 USPQ2d 1453, 1457 (Fed. Cir. 1998)). "Rather, to establish obviousness based on a combination of the elements disclosed in the prior art, there must be some motivation, suggestion or teaching of the desirability of

making the specific combination that was made by the applicant." Id., 55 USPQ2d at 1316 (citing In re Dance, 160 F.3d 1339, 1343, 48 USPQ2d 1635, 1637 (Fed. Cir. 1998) and In re Gordon, 733 F.2d 900, 902, 221 USPQ 1125, 1127 (Fed. Cir. 1984).

"Evidence of a suggestion, teaching, or motivation to combine may flow from the prior art references themselves, the knowledge of one of ordinary skill in the art, or, in some cases, from the nature of the problem to be solved...." In re Dembiczak, 175 F.3d 994, 999, 50 USPQ2d 1614, 1617 (Fed. Cir. 1999) (citing Pro-Mold & Tool Co. v. Great Lakes Plastics, Inc., 75 F.3d 1568, 1573, 37 USPQ2d 1626, 1630 (Fed. Cir. 1996) and Para-Ordinance Mfg. v. SGS Imports Intern., Inc., 73 F.3d 1085, 1088, 37 USPQ2d 1237, 1240 (Fed. Cir. 1995)). "The range of sources available, however, does not diminish the requirement for actual evidence. That is, the showing must be clear and particular. See, e.g., C.R. Bard, 157 F.3d at 1352, 48 USPQ2d at 1232. Broad conclusory statements regarding the teaching of multiple references, standing alone, are not 'evidence.'" Id., 50 USPQ2d 1576 at 1617 (citing McElmurry v. Arkansas Power & Light Co., 995 f.2d 1576, 1578, 27 USPQ2d 1129, 1131 (Fed. Cir. 1993) and In re Sichert, 566 F.2d 1154, 1164, 196 USPQ 209, 217 (CCPA 1977).

Thus, the United States Patent and Trademark Office fails to properly establish any motivation for one of ordinary skill in the art to combine the features of the applied art to arrive at the claimed invention. To the contrary, the motivation asserted by the United States Patent and Trademark Office is actually found in the claimed invention.

The United States Patent and Trademark Office states the Giovannoli teaches characteristics data and financial data units are inputted by a human operator. The "human operator" feature is specifically recited in independent claim 28 and is implicit in

independent claims 1, 12 and 23. For the computer systems of the claimed invention and the applied art, Appellants concede that a human operator will, most likely at some point, input characteristic and financial data as suggested by United States Patent and Trademark Office. However, Giovannoli teaches automatically responding to requests for quotations as stated in the bottom-most block in Fig. 2A of Giovannoli. In contrast, independent claims 1, 12, 23 and 28 recite that vehicular financial data units are inputted into at least a responding one of the remaining ones of the computer terminals in response to the vehicular characteristics data units displayed on the display device of the at least responding one of the remaining ones of the computer terminals. In other words, human participation i.e. a human views the vehicular characteristics data units, is required to first review the displayed vehicular characteristics data units before the human operator can transmit vehicular financial data units to the computer terminal that originally sent the vehicular characteristics data units.

Appellants point out the computer system described in Giovannoli is particularly suitable for buying and selling commodity items such as OH006-2000656 type J resistors as referred to in column 5, line 52 of Giovannoli. That is, one resistor is virtually indistinguishable from another. As a result, responding automatically to a request for quotation is acceptable. In contrast, vehicles, even those of the same make, year and model, are unique relative one another. For example, the same make, year and model vehicle might have a different color than another, a different engine size, a different transmission, different optional equipment such as a CD player, power windows, burglar alarm system, enhanced traction system and et cetera. Further, even two vehicles having identical equipment could be valued differently in different locations

across the country. For example, a four-wheel drive sport utility vehicle would have more value in the Rocky Mountain Region than in the southern sun-belt states.

Furthermore, the condition of the vehicle such as its mileage, its exterior, its interior, its engine, its tires and its glass impacts the value of that particular, i.e. unique, vehicle.

Thus, for the claimed invention, the vehicular characteristics data units for that unique vehicle are displayed on the display device of a responding computer terminal before vehicular financial data units for that unique vehicle are transmitted in response to the displayed vehicular characteristics data units of that vehicle.

Giovannoli, which exchanges data for indistinguishable commodity items and requires a central database of product characteristics, is not suitable for exchanging data of a single unique item such as a vehicle because the Giovannoli teaches automatic computer responses to received data without displaying it, not a human response in which a human operator applies his/her skill, experience and knowledge to address the unique, displayed characteristics of the vehicle such as the vehicle's condition before sending financial data such as a bid to purchase.

Berent addresses the uniqueness of each vehicle by requiring human input to provide financial data in response to displayed vehicular characteristics. However, Berent requires a human operator to interact with a central database of vehicle characteristics while the claimed invention does not. The claimed invention enables human to human interaction i.e, a human operator sends vehicle characteristics to a recipient "on the fly" without the necessity for a central database containing vehicular characteristics data. Also, Berent requires a human operator to input vehicle characteristics data at one point in time for transmission of such data at another point in

time, specifically at a scheduled auction date. Thus, Berent requires a certain time and date to conduct an auction, i.e. data exchange, while the claimed invention exchanges data at any time. Berent also requires the recipient of the vehicle characteristics data to retrieve it from the central database while the claimed invention does not. The claimed invention merely sends vehicle characteristics data to the recipient computer terminal. Exchanging data at any time enables an automobile dealer to obtain a price on a trade-in vehicle even before the customer who is trading-in that vehicle leaves the showroom floor. The combination of the applied art cannot achieve the functionality of the claimed invention for the benefit of an automobile dealer.

It is respectfully submitted that none of the applied art, alone or in combination, teaches or suggests the features of the claimed invention. As discussed above, the applied art requires a central database loaded with product characteristics to which the inquiring operator must interact. The claimed invention does not require such a central database and therefore does not require interaction therewith by an inquiring operator. For the claimed invention, the inquiring operator inputs vehicular characteristics for display on a responding computer terminal and a responding operator transmits financial data in response to the displayed data back to the inquiring operator. Thus, the combination of the references actually teaches away from the claimed invention because the claimed invention lacks any interaction of an inquiring operator with a central database of product characteristics as is necessary to implement the applied art. To the contrary, the claimed invention, unlike the teachings of the applied art, effectively facilitates interaction between a human inquiring operator inputting vehicular characteristics data units and a human responding operator responding to same. This

is so because the human responding operator must assess the condition of the vehicle before an informed bid is transmitted back to the inquiring operator. Assuming arguendo that one of ordinary skill in the art would be motivated to combine the features of the applied art, the combination still would not result in the claimed invention because the combination of features in the applied art would include a central database of product characteristics that does not exist in the claimed invention. This argument further supports Applicants' arguments in their Brief on Appeal that the United States Patent and Trademark Office destroys the teachings of the applied art, i.e. dismantles the central database of product (or vehicular) characteristics from both the applied art references, to arrive at the claimed invention. Without a central database of product (or vehicular) characteristics, the applied art is rendered useless while Applicants' invention functions as intended and claimed.

II. APPLICANTS AND USPTO AGREE – THE PROCESSOR HAS NO DISPLAY DEVICE

The United States Patent and Trademark Office states on page 4, paragraph 1:

...however none of the claims recites where the processor (central) has a display device that displays the inputted data as argued by Appellant. Appellant's specification does not disclose such feature. As claimed and as disclosed by the specification the processor controls the data that is inputted into the computer terminals, which are different from the processor. According to Appellant's specification the processor is not considered one of the computer terminals for inputting data.

It is respectfully submitted that Appellants do not argue that the processor has a display device as mistakenly alleged above by the United States Patent and Trademark Office. Appellants agree that the processor has no display device. Otherwise, Appellants fully agree with the remainder of the above statement. In fact, with the

processor having NO display device supports Appellants' argument that the applied art fails to teach inputting vehicular characteristics data units into any selected one of the plurality of computer terminals unlike what is taught in the applied art. Rather than repeating this argument, Appellants refer the reader to Appellants' Brief on Appeal, Argument 2.A. on pages 9 through 14 and Appendices B and C. In short, it is not possible for the combination of the applied art to function as the claimed invention as explained therein.

III. CLAIM 30 IS ALLOWABLE OVER THE APPLIED ART

Appellants appreciate withdrawal by the United States Patent and Trademark Office of its rejection of claim 30 as being indefinite under 35 U.S.C. 112. However, claim 30 is rejected under 35 U.S.C. 103(a) as indicated above.

Claim 30 is directed to a vehicular data exchange system that is adapted for use to exchange vehicular data relating to a trade-in vehicle of a prospective customer among a plurality of vehicle dealership users. Claim 30 recites that the vehicular data includes vehicular characteristics data units and vehicular financial data units. Claim 30 further recites that the vehicular data exchange system includes a plurality of computer terminals operative to transmit and receive the vehicular data so that the plurality of vehicle dealership users are capable of transmitting to each other and receiving from one another both the vehicular characteristics data units and the vehicular financial data units. Claim 30 also recites that the vehicular data is exchanged within a time period during which the prospective customer remains at the dealership.

It is respectfully submitted that none of the applied art, alone or in combination, teaches or suggests the features of claim 30. Specifically, none of the applied art teaches or suggests a vehicular data exchange system that is used to exchange vehicular data relating to a trade-in vehicle of a prospective customer as recited in claim 30. Further, none of the applied art teaches or suggests exchanging vehicular data among a plurality of vehicle dealership users as recited in claim 30. Furthermore, none of the applied art teaches or suggests that vehicular data exchanged among the vehicle dealership users is exchanged within a time period during which the prospective customer remains at the dealership as recited in claim 30. Thus, one of ordinary skill in the art would not be motivated to combine the features of the applied art because such combination would not result in the claimed invention.

Additionally, for claim 30, Appellants respectfully repeat the arguments in the Brief on Appeal that the United States Patent and Trademark Office has failed to establish a prima facie case of obviousness; that the United States Patent and Trademark Office failed to consider features not shown in the applied art; that the United States Patent and Trademark Office has applied hindsight logic to reconstruct the claimed invention using claim 30 as a template; that the prior art fails to recognize the problem addressed and solved by the claimed invention; that the United States Patent and Trademark Office has improperly combined the applied art to arrive at the claimed invention and, in doing so, destroyed the functionality of the applied art.

IV. CONCLUSION

For these additional reasons, it is respectfully requested that the Honorable

Board reverse the rejections set forth in the Final Rejection and to pass the application to issue allowing pending claims 1, 2, 5-8, 12, 13 and 17-30.

Respectfully submitted;

A handwritten signature in cursive script, appearing to read "Carl Schaukowitz", written over a horizontal line.

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